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July 25, 2018

**VIA EMAIL & HAND DELIVERY**

Ms. Ruby Potter  
Health Facilities Coordinator  
Maryland Health Care Commission  
4160 Patterson Avenue  
Baltimore, Maryland 21215

**Re: Baltimore Detox Center  
Matter No. 18-03-2419**

Dear Ms. Potter:

Provided below please find the completeness responses of the Baltimore Detox Center ("BDC" or "the Applicant") in connection with its Certificate of Need ("CON") application to establish a 24-bed Track One Level III.7 medically monitored intensive inpatient treatment program in Woodlawn, Baltimore County. Responses to each question are provided below.

**PART I - PROJECT IDENTIFICATION AND GENERAL INFORMATION**

1. Regarding *Legal Structure*, please respond to the following:
  - a. Clarify whether the Applicant is a for-profit corporation as indicated in #5 on p. 4, or a limited liability company ("LLC") as stated in #1 on p. 2.

**Response:**

The Applicant is a limited liability company.

- b. In either case, provide an organizational chart showing the ownership structure for either the LLC or the for-profit corporation of Baltimore Detox Center, and show who will have ownership of BDC, and how the six substance abuse facilities listed on Item #2, p. 12 are linked organizationally with the proposed Baltimore Detox Center.

**Response:**

Baltimore Detox Center, LLC is owned by Michael Silberman, Yitchok (Mark) Gold, Baruch Rabhan, and Kabir Singh.

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Amatus Health, LLC is owned by Michael Silberman, Yitchok (Mark) Gold, and Baruch Rabhan.

Amatus Health will have a Management Agreement with BDC.

The following entities which own and operate outpatient substance abuse and inpatient detox facilities each are owned 60% by MBM Ventures, LLC and 40% by additional investors.

MBM Ventures, LLC is owned by Michael Silberman, Yitchok (Mark) Gold, and Baruch Rabhan.

Maryland

Foundations Recovery Center            Woodlawn, MD (OP, IOP, PHP)

Fresh Start Recovery Center            Gaithersburg, MD (OP, IOP, PHP)

Ohio

Midwest Detox Center                    Maumee, OH (Residential, Withdrawal Management, Inpatient SUD)

Midwest Recovery Center                Maumee, OH (OP, IOP, PHP)

Florida

Healing Solution Center LLC d/b/a  
Breakthrough Detox Center            Miami, FL (Outpatient treatment, IOP, Day or Night Treatment with Community Housing)

Coconut Recovery d/b/a More Life  
Recovery Center                        Hollywood, FL (Day or Night Treatment with Community Housing, IOP and Outpatient Treatment)

Georgia

Atlanta Detox Center                    Atlanta, GA - (expected opening September 2018)

East Point Recovery Center            Atlanta, GA (OP, IOP, PHP)

An Organizational Chart is provided as Attachment 13.

(Please consider this an update to Item #2, p. 12)

Are any of these six facilities currently licensed to operate as either a Level III.7 medically monitored intensive inpatient treatment or detoxification program?

**Response:**

Please see Attachment 14 which contains the licenses and CARF accreditations for the facilities referenced above.

The following facilities provide a Level III.7 medically monitored intensive inpatient treatment or detoxification program:

Midwest Detox Center

Atlanta Detox Center - (expected opening September 2018)

- c. Provide a brief history for each of BDC's four owners in providing outpatient and Level III.7 medically monitored intensive inpatient treatment and/or detoxification treatment programs either in Maryland or out-of-state.

**Response:**

With respect to Michael Silberman, Yitchok (Mark) Gold, and Baruch Rabhan, as stated above, MBM Ventures, LLC is owned by Michael Silberman, Yitchok (Mark) Gold, and Baruch Rabhan. The following entities which own and operate outpatient substance abuse and inpatient detox facilities each are owned 60% by MBM Ventures, LLC and 40% by additional investors.

Maryland

Foundations Recovery Center      Woodlawn, MD (OP, IOP, PHP)  
Opened May 18, 2018

Fresh Start Recovery Center      Gaithersburg, MD (OP, IOP, PHP)  
Opened May 1, 2017

Ohio

Midwest Detox Center      Maumee OH (Residential, Withdrawal Management,  
Inpatient SUD)

Opened April 20, 2018

Midwest Recovery Center      Maumee, OH (OP, IOP, PHP)  
Opened April 20, 2018

Florida

Healing Solution Center LLC d/b/a  
Breakthrough Detox Center      Miami, FL (Outpatient treatment, IOP, Day or Night  
Treatment with Community Housing)

Opened March 5, 2018

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Coconut Recovery d/b/a More Life  
Recovery Center

Hollywood, FL (Day or Night Treatment with Community  
Housing, IOP and Outpatient Treatment)

Opened February 1, 2018

Georgia

Atlanta Detox Center

Atlanta, GA - (expected opening September 2018)

East Point Recovery Center  
Opened May 22, 2018

Atlanta, GA (OP, IOP, PHP)

Kabir Singh is the CEO of Fresh Start Recovery Center and BDC.

- d. Explain the relationship of Mark Gold and Amatus Health to the Applicant's ownership structure.

**Response:**

As explained above, Mark Gold has an ownership interest in both BDC and Amatus Health.

- e. Who will receive the CON approval as well as own the license and operate the proposed Baltimore Detox Center?

**Response:**

Baltimore Detox Center, LLC will own the license.

2. Regarding Foundations Recovery Center ("FRC"), please respond to the following:

- a. Provide the status of FRC currently, since you indicate the facility was poised to open on April 15, 2018 and you have not provided any evidence it is operational at present.

**Response:**

FRC opened on May 18, 2018. Please see license provided at Attachment 15.

- b. Identify the type of program and services licensed by the Maryland Department of Health's Behavioral Health Administration for FRC.

**Response:**

FRC operates the following programs and services: Outpatient Treatment, Intensive Outpatient Treatment, and Partial Hospitalization Treatment.

3. As indicated on p. 40, please discuss:

a. What level of service will be provided by a Level III.7WM?

**Response:**

Baltimore Detox Center will be providing ASAM Level III.7-Detox. ASAM has updated its nomenclature for this level of care as III.7-WM (withdrawal management). Maryland COMAR indicates level III.7-Detox so please accept this response as an explanation that III.7-Detox and III.7-WM are the same service level.

b. Will the 24 beds also provide Level III.7-Detox level of care to patients and will the Applicant seek such an ASAM-level designation?

**Response:**

Yes. Please see above.

4. Regarding Site Control, please provide a copy of the lease signed by Baltimore Detox Center, LLC and Woodlawn Holdings, LLC, and a brief description of the terms for the lease, such as length of agreement, interest rate, monthly payments, and other terms. Is there either a direct or indirect relationship between these two LLCs?

**Response:**

A copy of the lease between Baltimore Detox Center, LLC and Woodlawn Holdings, LLC is provided as Attachment 16.

Key Terms of the lease are as follows:

Lease Term - ten (10) years  
Monthly Payment - \$9,533.33

The two LLCs have common ownership in part: Woodlawn Holdings, LLC is owned by Michael Silberman, Yitchok (Mark) Gold, and Baruch Rabhan.

5. Please clarify whether the Applicant seeks to establish a 24 or 25 ICF beds for the proposed facility. The application contains inconsistencies regarding that (i.e., between what is stated in your project description and in Attachment 2, Table A).

**Response:**

The Applicant seeks to establish a 24-bed ICF. Please see attached drawing (Attachment 4) for a revised floor plan, and an updated TABLE A (Revised Tables are provided as Attachment 18).

6. Regarding the Project Description on p. 7, please go into further detail as to how BDC will operate “one larger patient room that has the physical capacity to accommodate three beds” and explain how “the third bed in that larger room will only be made available for occupancy in case of emergency circumstances.” Whether the third bed is used full- or part-time, the Applicant should revise the CON application to establish a 25 ICF bed facility instead of 24 beds?

**Response:**

The Applicant seeks to establish a 24-bed ICF. Please see attached drawing (Attachment 17) for a revised floor plan, and an updated TABLE A (Revised Tables are provided as Attachment 18). All rooms will have two beds.

7. As indicated on pp. 7-8, please discuss what type of businesses will occupy “the three unrelated suites” that will share the building with BDC at 1825 Woodlawn Drive in Baltimore, MD. Will BDC be a closed and secure unit and have a separate entrance from the three unrelated suites? What types of designs or security will the Applicant have in place to ensure that the patients and staff at BDC do not operate in conflict or encounter issues with the operations at these three unrelated suites?

**Response:**

Currently the three unrelated suites are occupied by a pediatrician, Volunteers of America and a security company. The security company is vacating on August 15, 2018. Each suite has its own entrance. There are security cameras at all exits and entrances. There is no common area/common entrance. There is a common parking area with sufficient parking.

8. Regarding the Project Description, please provide a response as instructed by the CON application form that addresses the following:
  - a. Provide the rationale for the establishment of Baltimore Detox Center as a Track One private pay substance abuse treatment facility at 1825 Woodlawn Drive in Baltimore, MD.

**Response:**

The State Health Plan provides for two categories, or “tracks” for the CON review of proposed new inpatient intermediate care facilities and beds: Track One and Track Two. Track One facilities are private facilities that are funded by non-governmental payers to provide services to a wide range of patients. The BDC is intended to be such a facility.

According to the State Health Plan, to be considered for the Track Two CON review, a project must document and secure public funding, make a commitment to allocate more than half of its capacity to treat the indigent and gray area population, and create an active partnership with local and state governments. (See Policy 1.0 at COMAR 10.24.14, page 9). An Applicant proposing

to establish a new Track Two facility must document to demonstrate that 50% of the facility's annual patient days will be generated by the indigent or gray area population, including days paid under contract with the Alcohol and Drug Abuse Administration or a jurisdictional alcohol or drug abuse authority.

BDC is a Track One facility and does not intend to participate in the Track Two CON review. As shown on TABLE D (Attachment 18), BDC projects that 67% of the projected revenues will be generated by Commercial Payers.

- b. Provide a brief description of the level of care and services that will be provided by BDC's proposed Level III.7 detox and medically monitored intensive inpatient treatment program with a projected combined ALOS of 28 days per patient.

**Response:**

BDC will provide levels III.7-Detox and III.7. These services will be provided by medical staff 24 hours day as indicated in the BDC program description. Level III.7-Detox will last approximately ten (10) days depending on the medical necessity of the consumer along with III.7 lasting approximately eighteen (18) days. (See Attachment 18, TABLE C. Entire Facility - Stats).

- c. Provide a brief description as to the prior use of the two-story commercial building and the \$110,000 in renovations to establish the proposed 24 bed substance abuse facility.

**Response:**

The estimated renovation costs to establish the proposed 24 bed BDC have increased from \$110,000 to \$155,000. (See Attachment 18, TABLE B. Project Budget). These additional costs will be incurred to meet the local building code requirements (see letter from Charles Goodman, AIA at Attachment 19). Prior to being renovated to establish the Foundation Recovery Center, the building was previously used solely as office space. The renovations brought the building up to code for use by Foundations Recovery Center including bathroom renovation.

- d. Provide a projected timeline as to when the Applicant will begin and finish renovations for the facility as well as the start of First Use.

**Response:**

As shown on p. 10 of the CON application, the required renovations to the existing building will commence immediately after the Commission's approval and will be completed for first use and pre-licensure within one to two months.

9. Please provide evidence that the existing building at 1825 Woodlawn Drive has the necessary state and local land use and environmental approvals to operate as a Level III.7 Medically-Monitored Intensive Inpatient Treatment and Detox facility.

**Response:**

Please see the July 19, 2018 letter Charles R. Goodman, AIA, EDAC, Founding Principal, CRGA to Mark Gold that indicates the existing building at 1825 Woodlawn Drive will meet the applicable local land use, environmental approvals and building codes upon completion of the proposed renovations. (Attachment 19).

10. Regarding the Project Drawings, please respond to the following:
- a. Show where the Foundation Recovery Center and its outpatient treatment program will be located within this building.

**Response:**

The existing Foundation Recovery Center, an outpatient substance abuse treatment center, will relocate to another site within the Baltimore metropolitan area upon the completion of renovations and first use of the BDC.

- b. Provide the specific dimensions and square footage for each of the eleven two-bed and the single three-bed patient room.

**Response:**

The specific dimensions and square footage of each of the 12 semi-private patient rooms are shown on the revised project drawing for the second floor of the proposed BDC, which is found at Attachment 17.

- c. The line drawings indicate that the proposed second floor will have only (1) three showers, (2) four toilets, and (3) one area designated for staff to accommodate both the 24 patients and staff. Will the proposed substance abuse program have sufficient bathrooms and showers available to meet such patient issues with regard to gender, patient age, sexuality, communicable or infectious diseases, isolation, etc.?

**Response:**

Yes. The proposed substance abuse program does have sufficient bathrooms and showers available to meet patient issues with regard to gender, patient age, and sexuality. When there are issues related to communicable or infectious diseases, patients will be transferred to an appropriate health care facility.



- d. Please discuss why the layout for the second floor does not provide for either a nurse station (as indicated on Attachment 2, TABLE B - Project Budget) or a common room or space for patients?

**Response:**

The revised floor plan for the second floor of the BDC includes a nurse station/staff room, in addition to the 12 semi-private patient rooms. (See Attachment 17). The common room and additional space for patients is located on the first floor of the BDC. (See Attachment 3 to the CON Application).

- e. Will the physical layout of BDC allow staff to monitor and observe all patients on both the first and second floor of this substance abuse program? Where will medical supplies be stored?

**Response:**

Yes. The physical layout of both the first and second floor will allow BDC staff to monitor and observe all patients. Medical supplies will be stored on the first floor of the BDC.

- f. Provide the location for the detox rooms on the line drawings.

**Response:**

Please see Project Drawing at Attachment 17 which shows the five (5) Detox Patient Rooms, five (5) Residential Patient Rooms, and the two (2) "Flex" Rooms.

## **PART II - PROJECT BUDGET**

11. Please respond to the following:

- a. Please cite the source for the \$502,250 in cash that will fund the renovations and costs for establishing this project.

**Response:**

The source for the revised sources of funds for the project of \$585,982 (see Attachment 18, TABLE B - Project Budget) is Amatus Health, LLC. Please see the July 24, 2018 letter from Jeff Cohen, CPA, Katz|Cohen to Mark Gold indicating that sufficient funds are available to fund the renovation and costs for establishing the BDC. (Attachment 20).

- b. Provide the assumptions and basis for the \$25,000 in Contingency Allowance.

**Response:**

This percentage is based on industry standards/prior experience.

- c. Please explain the level of the CON Application Cost (*i.e.*, *Legal Fees* and *Other Fees* totaling \$75,000). This is approximately 15% of the Total Project Cost, and considerably more than MHCC typically sees for this line item.

**Response:**

The capital costs of the project are for renovations to an existing outpatient substance abuse treatment center. In contrast, most CON Applications for new facilities involve the construction of new buildings or extensive renovations of existing buildings. Thus, the level of CON Application Costs for the BDC project does appear proportionally higher than most other CON Applications. Still, the low capital costs to renovate the existing building do make the project extremely cost-effective both in terms of the total capital required, as well as development time: less than three (3) months after CON approval.

- d. Please explain what the \$225,000 in Working Capital Start-up Costs is expected to cover.

**Response:**

The \$225,000 in Working Capital Start-up Costs is expected to cover expenses prior to receiving third party reimbursement including payroll, lease, equipment, and other operational expenses.

- e. On p. 7, the Applicant states “a kitchen is not necessary as all meals will be prepared off-site by a caterer and delivered to the site at meal time.” The Revenue and Expense statement indicates BDC will budget only three (3) meals a day at \$6.50 per meal and approximately \$2,000 per month for snacks. Will the Applicant employ a dietitian or nutritionist who will consult and provide expertise in helping to plan meals for these patients during detox and subsequent substance abuse treatment?

**Response:**

The Applicant will contract with a dietician, whose costs have been incorporated into the revised projected expenses for the BDC. (See Attachment 18, TABLES D and E).

- f. Does the Applicant already have an agreement negotiated with a caterer, and if so, please provide a copy of the contract with the details on what services this contractor will provide?

**Response:**

The Applicant does not yet have a contract with a caterer.

- g. Are the costs of the caterer, a dietitian or nutritionist, or any therapist (i.e., physical, occupational, recreational/art, etc.), included with the Project Budget and in TABLE E - Workforce Information? If not, why?

**Response:**

Yes. See Attachment 18, TABLES D and E.

**PART III - APPLICANT HISTORY, STATEMENT OF RESPONSIBILITY,  
AUTHORIZATION AND RELEASE OF INFORMATION, AND SIGNATURE**

12. Please clarify whether Yitchok Gold identified on p. 2 is the same or a different person from Mark Gold identified on p. 12 under Item #1.

**Response:**

Yes. The same person.

13. Regarding the signed declarations and affirmations, please explain the role of Nicholas Albaugh in BDC, i.e., is he an owner or officer?

**Response:**

Nicholas Albaugh is the Compliance Officer overseeing the necessary licensing and accreditation requirements at BDC.

**PART IV - CONSISTENCY WITH GENERAL REVIEW CRITERIA AT COMAR  
10.24.01.08G(3)**

**Identification of Intermediate Care Facility Alcohol and Drug Abuse Bed Need**

14. Please respond to the following:
- a. List all assumptions made in the need analysis regarding demand for services, utilization rate(s), and the relevant population, and provide information supporting the validity of these assumptions.
  - b. Provide documentation to support your assumption that “in-migration of out-of-state residents (as stated on p. 30)” will support the need for the proposed project.
  - c. The source for BDC’s projected population of 18 years and older, Indigent Population - Central Maryland, and Non-Indigent Population.

**Response:**

- 14 a. Assumption 1: The Maryland Health Care Commission correctly found a need for between 113 and 160 additional Track One beds to be located in Central Maryland in 2020 (see MHCC Decision, Docket No. 16-02-2374, December 16, 2016).

Assumption 2: BDC is proposing a 24 bed Track One facility to be located in Baltimore County, which is located in Central Maryland, far fewer beds than are projected to be needed in the region.

Assumption 3: There are three (3) Track One facilities located in Central Maryland, and together, they are not sufficient to address all of the projected bed need the Commission has identified, even if fully occupied. No public data is available concerning the occupancy of the beds currently available at these three (3) facilities.

Assumption 4: BDC will be managed by Amatus, an experienced provider of substance abuse treatment services, and will market its services to residents of Central Maryland and elsewhere. Existing utilization of its outpatient facilities located in Baltimore County and Montgomery County demonstrates its ability to attract patients and provide needed services. Since its inception, Fresh Start Recovery Center has serviced 105 Maryland residents, out of the 105 individuals, 31 of them received charity care. Since its inception, Foundations Recovery Center has serviced 19 Maryland residents, out of the 19 individuals, three of them received charity care.

Assumption 5: Despite the availability of three (3) existing Track One facilities in Central Maryland, Amatus facilities are regularly contacted for information concerning the availability of inpatient substance abuse services and cannot provide those services currently to those patients whose medical and rehabilitative needs require inpatient care.

Assumption 6: The proposed 24 bed BDC facility will enable BDC to meet those patients' needs whose acuity require the detox and inpatient rehabilitative services proposed in this CON Application. (See also Response to Completeness Question #22).

Assumption 7: Because the facility will require only minor renovations to accommodate the proposed 24 bed facility, inpatient admissions are expected to commence in CY 2019 and reach optimal occupancy in CY 2022. (See also Attachment 18, TABLE C).

- 14b. The State Health Plan Need Methodology, as updated by the Commission in its December 16, 2016 Decision, Docket No. 16-02-2374 indicates that 262 patients will migrate to Central Maryland ICF facilities from out-of-State. BDC considers this assumption to be reasonable and supports the need for additional beds.
- 14c. The Commission's December 16, 2016 Decision, Docket No. 16-02-2374, projects 2,078, 814 adult residents (age 18+) in Central Maryland in 2020. The estimated indigent

population is 243,365, or 11.7%. The sources of the Commission's projections are explained in footnotes to TABLE III-1, on p. 6 of the Decision.

BDC obtained more recent population projections from the Maryland Department of Planning, which published revised Central Maryland adult population projections. These projections are for 2,056,582 residents in 2020. BDC then applied the 11.7% adjustment to project the indigent population of Central Maryland, consistent with the Commission's assumption.

15. The Applicant states on p. 19 that while "BDC is committed to providing 15% of patient days to indigent or gray area patients," the commitment is only equivalent to slightly more than 12.5% with 24 (3/24) occupied beds or 12% with 25 (3/25) beds, assuming 100% utilization for this program. While the Applicant commits to submitting annual reports to the Commission following each fiscal year that document its commitment to providing 15% of patient days to indigent and gray area patients, staff would like a better understanding of how BDC will meet this financial criteria and obligation of providing 15% to indigent or gray area patients. Please provide specific details that demonstrate how BDC will comply with this standard.

**Response:**

As shown on TABLE G - Statistical Projections, Entire Faculty, the BDC is projected to provide 7,700 patient days in its 24 bed facility, at 87.9% occupancy in 2022. Of those projected total patient days, approximately 1,155 days of care will be provided to indigent and gray area patients at no charge and is therefore consistent with State Health Plan standard COMAR 10.24.14.05D. This projected utilization yields an average daily census of charity care patients occupying three (3) out of the 24 beds in the facility.

BDC will comply with this standard by accepting for admission indigent and gray area patients who are otherwise not able to be treated in appropriate inpatient settings consistent with their medical needs. The medical criteria for admissions will be no different for these patients and patients who have the financial means to pay for the acute detoxification and rehabilitation services BDC will provide. These admissions will be generated through ongoing outreach efforts and agreements with community providers, including acute care hospitals. (See Response to Question 27). Both Fresh Start Recovery Center in Gaithersburg and Foundations Recovery Center in Woodlawn voluntarily provide "scholarships" to patients who require financial assistance.

16. Regarding Attachment 5, this document only mentions that staff "secure referrals to community agencies and resources for aftercare (as indicated in Item #7)" and "will conduct follow up calls" up to 365 days after a client's discharge from the program (as indicated under Item #10). Please clarify whether this is the extent of the aftercare program that BDC will provide, and if not, then please revise Attachment 5 to show the extent of aftercare that BDC will provide to patients for at least one year after their discharge.

**Response:**

The follow up on aftercare conducted by BDC will be to initially check with a referred provider that the clients attended their intake and are receiving services from the provider. Along with follow up to the referred agencies, staff will follow up with the consumer to check in on recovery progress along with continued support after discharge.

17. Please respond to the following:

- a. The three (3) agreements in Attachment 6 are with either Evolve Life Centers located in Pasadena, Anne Arundel County or Hopes Horizon in Nottingham, eastern Baltimore County. Please document what efforts BDC has made to date either at outreach and entering into written transfer and referral agreements with or receiving acknowledgement from agencies or facilities who have capabilities for managing cases that “exceed, extend, or complement” the Applicant’s capabilities in services such as inpatient, intensive and general outpatient programs, halfway house placement, long-term care, aftercare, and other types of appropriate follow-up treatment programs in and around Central Maryland.
- b. Similarly, provide documentation of BDC’s transfer and referral agreements, in the form of letters of agreement or which show acknowledgement of intent to enter into an arrangement with each of the following types of facilities:
  - i. Acute care hospitals;
  - ii. Halfway houses, therapeutic communities, long-term care facilities, and local alcohol and drug abuse intensive and other outpatient programs;
  - iii. Local community mental health center or center(s);
  - iv. Baltimore County’s mental health and alcohol and drug abuse authorities;
  - v. The Behavioral Health Administration and the Mental Hygiene Administration; and
  - vi. Baltimore County’s agencies that provide prevention, education, driving-while-intoxicated programs, family counseling, and other services.
- c. Why does the Applicant not have an arrangement with Northwest Hospital or Sinai Hospital, which are relatively close to Woodlawn in Baltimore County?

**Response:**

Please see Attachment 21 for Transfer and Referral Agreements and Letters of Support.

BDC has made the following efforts with respect to outreach and entering into written transfer and referral agreements with or receiving acknowledgement from agencies or facilities who have capabilities for managing cases that “exceed, extend, or complement” the Applicant’s

capabilities: BDC has reached out to community agencies, local hospitals and local and state governments. Additional agreements and letters of support will be submitted upon receipt.

BDC is actively working to obtain a transfer and referral agreement with Northwest Hospital and/or Sinai Hospital. Attachment 21 includes a Letter of Support from Sinai Hospital.

### **Sources of Referral**

18. The two (2) Incoming Referral Agreements in Attachment [insert updated number (21?) here] are with the “University of Baltimore Washington Medical Center,” which is not an existing healthcare provider in Maryland. Please submit referral agreements that comply with this criteria regarding BDC’s compliance that “15% of the facility’s annual patient days...will be incurred by the indigent or gray area populations...,” including days paid under a contract with the Behavioral Health Administration or a Baltimore County alcohol or drug abuse authority, or the Medical Assistance program.

### **Response:**

Please see Attachment 21.

There was a typo and the agreement is with the University of Maryland Baltimore Washington Medical Center.

### **In-Service Education**

19. BDC indicates on p. 25 that staff orientation will be training provided upon hire, with quarterly training every three (3) months...” whereas Attachment 7 on p. 59 indicates that there will be three (3) types of training and development: basic orientation program for new employees; in-house instruction; and referral to outside trainings/education programs. Please clarify the response to this criteria.

### **Response:**

The Staff Training and Development Policy has been updated to reflect specific in-house trainings. Annual trainings will be conducted monthly rather than one (1) time per year. Please see Attachment 22.

### **Sub-Acute Detoxification**

20. Please respond to the following:
  - a. Quote the language and provide citation showing where BDC’s policies and procedures (Attachment 8) for the detoxification program address: treatment protocols, staffing standards, and physical plant configuration.

**Response:**

Treatment protocols for detoxification are provided as Attachment 23. These are draft protocols; official protocols will be edited and accepted by BDC's medical director. Program Description has been edited to provide staffing standards which include adherence to Maryland COMAR 10.47.01.06. See Attachment 24. BDC will comply with COMAR 10.47.01.05 in regards to physical plant and environmental requirements along with CARF's standards on health and safety.

- b. Does the ownership of BDC currently operate a licensed and certified detoxification program? If so, specify the level(s) of service it provides?

**Response:**

Please see the response to 1.b above.

21. Attachment 9 addresses the treatment protocol for this criteria. Please discuss how BDC will address voluntary counseling and testing for infectious disease such as HIV.

**Response:**

BDC will utilize the local health department for free HIV and STD testing for all individuals. Along with this free service, the health department provides counseling services for all individuals who seek it. Entities such as Fresh Start use these services in Montgomery County in order to provide all individuals voluntary testing and counseling.

22. Please respond to the following:
  - a. Why Foundation Recovery Center or any of a number of outpatient alcohol & drug abuse programs currently operating in the Central Maryland region, are not considered an adequate alternative for addressing this criteria?

**Response:**

Foundations Recovery Center is licensed to provide ASAM levels II.5, II.1, and I outpatient treatment. Although these services provide support and treatment for individuals suffering from substance use disorders, BDC will be providing a higher level of care needed to fully medically detox individuals from substances such as alcohol which can involve seizures if not cared for in an inpatient setting.

- b. What are BDC's assumptions that support the use of an outpatient alcohol & drug abuse program located in Gaithersburg, MD, for follow-up care and treatment after discharge from BDC in Baltimore County?



**Response:**

Fresh Start Recovery Center located in Gaithersburg receives referrals when an individual is in need of medically monitored detoxification and inpatient treatment. Due to lack of resources, many of these individuals are referred to out of state facilities such as Sunrise Detox in Cherry Hill, NJ along with Seabrook House in Bridgeton, NJ for these inpatient services. The only Intensive Inpatient in Montgomery County, Avery Road Treatment Center, is being demolished on September 1<sup>st</sup> and will be rebuilt in a timeframe of 18-24 months. During this time Avery Road Treatment Center's admission capacity will be realistically cut in half. BDC will be a shorter distance to individuals referred by Fresh Start Recovery Center and will be referred back for outpatient services in Montgomery County

- c. The two (2) referral agreements with "University of Baltimore Washington Medical Center" do not address requirements (1) through (4) of this criteria. Please provide written agreements that address these four requirements.

**Response:**

Please see Attachment 21.

23. Should a data reporting system for management information be developed in the future, please indicate whether BDC would comply and be willing to participate in a comparable data collection program developed internally and as specified by the Behavioral Health Administration in order to "share valuable data with the state and to evaluate its own effectiveness."

**Response:**

BDC would comply and be willing to participate in a comparable data collection program.

24. The CON Application instructs the Applicant to provide a written description of BDC's expected service area, population size, characteristics/demographics of population served, and projected growth for the population and need for this service. Will this project address the need of special population groups, and if so, identify those underserved populations and describe how this proposed substance abuse treatment program will address their needs?

**Response:**

Not applicable.

**Availability of More Cost-Effective Alternatives**

25. Please respond to the following:

- a. The CON Application instructs the Applicant to describe the planning process that was used to develop the proposed project, which includes a full explanation of how the objective of this project is “to provide an opportunity for those seeking recovery from substance abuse to safely and effectively detox on an inpatient basis, under medical supervision, in an affordable non-hospital setting.”
- b. Does the Applicant contend that the existing Level III.7 detox and medically monitored intensive inpatient treatment programs in Central Maryland (which include Anne Arundel, Baltimore City, and Harford Counties) do not provide *affordable* services for patients seeking such services? Demonstrate that the program established at BDC will be more affordable to patients than receiving treatment at these existing providers.
- c. Identify the three (3) ICF facilities and the number of beds that operate in Central Maryland, as stated on p. 31. Did the Applicant consider the number of ICF beds operated in existing programs located in Baltimore City and Harford in analyzing the need for a new detox and substance abuse treatment program in Central program?
- d. Demonstrate why the establishment of BDC’s detox and substance abuse program is a more effective alternative than providing these services through existing facilities in Central Maryland.

**Response:**

25 a. and b BDC recognizes that to be a successful provider of inpatient substance abuse treatment services, it will need to be affordable, and price its services competitively. As an existing provider of outpatient substance abuse treatment services in Maryland and other states, the management of Amatus continually monitors the status of the marketplace, and the willingness and ability of the public to pay. This market knowledge is necessary to assure a financially feasible operation.

As indicated in the financial projections BDC has provided in its CON Application, most of its revenues are anticipated to be generated by a patient population with sufficient private pay resources, including commercial insurance. BDC’s net inpatient service revenue per day is projected to be \$609. (See TABLES C and D - CON Application).

**Response:**

25 c. The three (3) inpatient Track One facilities cited on p. 31 of the BDC CON Application are Ashley (100 beds), Pathways (32 beds) and Maryland Detox House (16 beds). BDC considered the inventory of these 148 beds to be insufficient to address the Maryland Health Care Commission’s 2020 projection

of need (as updated for the reduction in the size of the projected adult population) in Central Maryland of between 243 and 289 ICF beds.

**Response:**

- 25 d. Based on the State Health Plan's need methodology, as applied by the Commission in its review and approval of the Maryland House Detox Facility on December 15, 2016, there remains a significant deficit of inpatient non-hospital beds in Central Maryland for the treatment of substance abuse patients in Track One facilities. BDC proposes to reduce that deficit with the addition of 24 ICF beds to be located in Baltimore County.
26. Please provide audited financial statements for the past two (2) years for Baltimore Detox Center or its parent organization (LLC or corporation) to demonstrate the financial condition of this entity and the availability of equity for this project. If audited financial statements are not available, submit documentation of the financial condition of the entity from a letter signed by an independent Certified Public Accountant, which the Applicant indicated in Attachment 11 will be provided under separate cover.

**Response:**

Please see Attachment 20, a letter signed by an independent Certified Public Accountant.

**Impact on Existing Providers and the Health Care Delivery System**

27. Please respond to the following:
- a. As instructed by the CON Application, please provide a response to requirements (b) through (d) of this standard.
  - b. Identify the factors or basis for the assumption that utilization of the adult inpatient Track One ICF facilities in Central Maryland would remain unchanged as a result of BDC's proposed 24 bed facility. Provide the analysis that supports this conclusion.
  - c. Did the Applicant take into account the ICF beds in Baltimore City and Harford Counties in performing this analysis, and if not, document the reasons and provide the rationale to support this decision.
  - d. Please state all of the sources for the referral of patients (Attachment 2, TABLE C, indicates as many as 275 patients by CY 2020) to the proposed BDC facility.
  - e. Regarding your statements on p. 36, document the assumptions or provide evidence to support the statement that: (a) "the overall access to health care services for the Central Maryland population will improve;" and (b) that "the

availability of the additional ICF beds at BDC will likely reduce the number of times a Maryland hospital's Emergency Department will need to "hold" an adult patient."

- f. While staff believes that BDC's estimated construction costs are a short-term and not a long-term cost saving, does the Applicant have any additional evidence to support the statement that its proposed project will provide a cost saving to the community?

**Response:**

- 27 a. and b Current utilization and bed occupancy data for inpatient substance abuse treatment services is not publicly available for Track One ICF facilities in Central Maryland. Nevertheless, the need for additional beds through 2020 is clearly demonstrated by the State Health Plan bed need methodology and accepted by the Commission in its most recent approval of 16 ICF beds at Maryland House Detox. This finding of need is reinforced by the experience of Amatus management in Maryland and other states. The demand for non-hospital inpatient and outpatient substance abuse services is apparent in the marketplace.

Both Maryland outpatient programs owned and managed by Amatus are currently addressing the needs of dozens of clients on a daily basis who have the means to pay for services. Requests for inpatient treatment services continue to be heard by Amatus staff, and referrals for those services are made to out-of-area inpatient providers, and not to Ashley, Pathways, or Maryland Detox House. (See Response to Question 22 b.) For these reasons, there will likely be no impact on the utilization of the three existing Track One facilities currently operating in Central Maryland as the inpatient utilization of BDC grows between 2019 and 2022 to address unmet needs and market demand.

- 27 c. Management of Amatus did take into account the ICF beds located in Anne Arundel and Harford Counties when performing the analysis of the Commission-determined regional need as well as the likely market demand and utilization of its 24 bed facility to be located in Baltimore County. On both counts, the 148 bed capacity in those three (3) Track One facilities was determined to be insufficient, and that the 24 beds at BDC are needed and will be well-utilized in the marketplace.

- 27 d. As stated in the CON Application at p. 24, BDC has obtained, and will continue to obtain and forward to the Commission, written transfer and referral agreements to assure a sufficient number of patients to reach its projection of 275 admissions in 2022. Among those sources of referral are:

1. Area Hospital Emergency Rooms, including GBMC;

2. Halfway houses, therapeutic communities, long-term care facilities, and local alcohol and drug abuse programs;
3. Local community mental health centers; and
4. Mental health providers in private practice.

27 e. The management of Amatus has taken special care to begin the process of marketing the services of the BDC to hospitals in the Central Maryland region and their emergency room physicians. Much of this community outreach work is being conducted to address the well-known and documented problem of patients “boarding” in hospital Emergency Departments, a clear-cut example of lack of patient access to needed services. The very presence of a new inpatient ICF, and the knowledge of its availability for “boarded” substance abuse patients in need of detox and rehabilitation services can only help address this access problem. Because there are no such Track One facilities and beds located currently in either Baltimore City or Baltimore County to which emergency room providers in need of a patient transfer point can rely upon, unnecessarily long “boarding” stays can be reduced. By definition, availability and accessibility will be improved beginning in CY 2019, the day the BDC opens for admissions, and begins accepting these patient transfer requests.

27 f. Every untreated drug addict and substance abuser who is willing to engage in active treatment, but is denied access for lack of sufficient, affordable treatment options, increases the costs to society. The proposal to open BDC is one way to reduce those societal costs. Yes, there is also a cost for providing the professional services and infrastructure to make those treatment opportunities available. Physicians, nurses, counselors and therapists must be paid, a building must be prepared to provide a safe environment for inpatient treatment, food must be provided, lab tests must be conducted, and a continuum of inpatient and outpatient services in the marketplace must be established and supported to assure long-term results. The business of providing these people, resources and services to patients must be financially viable or the cost savings will not be realized.

28. Regarding TABLES A, C, and D for Physical Bed Capacity, Statistical Projections, and Revenue & Expense Statement, please revise these three tables by separating the projected numbers for detox from the medically monitored intensive inpatient treatment program.

**Response:**

Please see the revised TABLES at Attachment 18. Projected residential and detox patient days, average ALOS and bed occupancy for are found at TABLE C. Entire Facility Stats. Revenues and Expenses on TABLE D. New Facility Services - Uninflated are combined for both inpatient service categories.

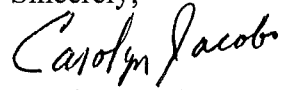
Ms. Ruby Potter  
July 25, 2018  
Page 22

29. Please provide the projected per diem cost and charges separately for the detox and medically monitored intensive inpatient treatment program.

**Response:**

BDC does not separate costs and charges for detox and medically monitored intensive inpatient treatment from the costs and charges for residential treatment.

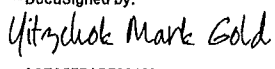
Sincerely,

A handwritten signature in cursive script that reads "Carolyn Jacobs".

Carolyn Jacobs

Please see attached signature pages.

I hereby declare and affirm under the penalties of perjury that the facts stated in this Completeness Responses of the Baltimore Detox Center and its attachments are true and correct to the best of my knowledge, information, and belief.

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Mark Gold

Date: 7/24/2018 2:16:56 PM PDT

I hereby declare and affirm under the penalties of perjury that the facts stated in this Completeness Responses of the Baltimore Detox Center and its attachments are true and correct to the best of my knowledge, information, and belief.

DocuSigned by:

*Nicholas Albaugh*

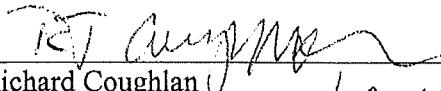
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Nicholas Albaugh

Date:

*7/25/18*



I hereby declare and affirm under the penalties of perjury that the facts stated in this Completeness Responses of the Baltimore Detox Center and its attachments are true and correct to the best of my knowledge, information, and belief.

  
Richard Coughlan  
Date: 7/25/18